

# HEALTH SERVICES AND DEVELOPMENT AGENCY

## MINUTES

February 22, 2017

### AGENCY MEMBERS PRESENT

Doolittle, Robert S., Chair  
Mills, Thom, Vice-Chair  
Korth, Paul  
Taylor, Todd  
Fleming, Martin, M.D.  
Grandy, Joe  
Gaither, Keith, designee for the TennCare Director  
Jordan, Lisa, designee for the Commissioner of Commerce and Insurance  
Ridgway, Corey  
Harding, Jaclyn, designee for the Comptroller of the Treasury

### AGENCY STAFF PRESENT

Hill, Melanie, Executive Director  
Ausbrooks, Mark, Administrative Assistant III  
Christoffersen, Jim, General Counsel  
Craighead, Alecia, Statistical Analyst III  
Earhart, Phillip, HSD Examiner  
Farber, Mark, Deputy Director  
Finchum, Rhonda, Administrative Officer

### COURT REPORTER

Daniel, April

### GUESTS PRESENT

Arkin, Melissa, Chief Executive Officer, Parkridge Valley  
Bankey, Romney, Administrator, Volunteer Home Care  
Betz, Paul, Chief Operations Officer, Maury Regional Health  
Bowser, Chad, M.D., Emergency Department Director, Maury Regional Medical Center  
Brady, Tim, Regional Vice President of HCA Behavioral Health Services  
Browning, Tom, M.D., Eye Surgery Center of Knoxville  
Burklow, Camille, Strategic Planning Specialist, Vanderbilt University Medical Center  
Burns, Charlotte, Vice President of Network Affiliates, HCA TriStar  
Campbell, Nicole, Esq., Blevins and Blevins  
Carroll, Rebecca, Vice President Business Development, Parkridge Health System  
Carson, Ann, Private Duty Director, HomeHealth Care of West Tennessee  
Deakins, Sandy, Consultant, Care Center Management Consulting  
Deloach, Judy, Administrator, Ivy Hall Nursing Home  
Duncan, Bruce, Assistant Vice President, National HealthCare Corporation  
Estes, Blake, Executive Director, Planning, Saint Thomas Health Services  
Estes, Linda, Director of Quality and Regulations, THCA  
Felts, Ginna, Business Development, Vanderbilt University Medical Center  
Franklin, Stephen, M.D., Eye Surgery Center of Knoxville  
Gooch, Warren L., Esq., Kramer Rayson, LLP  
Halverson, Mary Margaret, Chief Financial Officer, Parkridge Valley Hospitals  
Hunt, Cecilia, Senior Vice President of Operations, Perimeter Healthcare  
Jackson, Tom, Chief Financial Officer, Parkridge Health System  
Jones, Elizabeth, Assistant Director, Division of Health Planning, Department of Health  
Kiler, Melanie, Chief Executive Officer, Meritan  
LaDuke, Ron, General Manager, Walgreens Infusion & Respiratory Services  
Laughlin, Rod, Chief Executive Officer, Perimeter Health Care  
Leshner, Jared, Associate Administrator, Parkridge Health System  
Looney, Kim, Esq., Waller Lansden  
Mason, Billy, Chief of Police, Jasper TN.  
Merville, LaDonna, Vice President, Hospital Alliance of Tennessee  
Mills, Alex, Esq., Waller Lansden  
Murphy, Michael, M.D., Psychiatrist, Medical Director of HCA Behavioral Health Services

Norman, Charlie, Maury County Mayor  
Owen, Pamela, Director of Home Care, National HealthCare Corporation  
Ozburn, Tom, President and Chief Executive Officer, Parkridge Health System  
Poling, Rodney, M.D., Psychiatrist and Board of Trustee Member, Maury Regional Health  
Porter, Anita, Director of Clinical Affairs, Volunteer Home Care  
Randles, Sherry, Director of Crisis Services, Centerstone Mental Health Center  
Reed, Ann, R., RN., BSN, MBA, Director of Licensure, TDH, Division of Health Care Facilities  
Robinson, Tish, Regional Operations Director, LHC Group  
Rowland, Bucky, Maury County Sheriff  
Rudolph, Stephen, CPA Consultant, Eye Surgery Center of Knoxville  
Sansing, Trent, CON Director, TDH  
Sassman, Greg, Operations, Perimeter Healthcare  
Scarvey, Tim Senior Vice President of Strategy and Development, TriStar Health System  
Schaaf, Dana, Director, Elk Valley Health Services  
Swift, Nick, Chief Financial Officer, Maury Regional Health  
Tally, Sarah, Esq., Bone McAllester Norton PLLC  
Taylor, Jerry W., Esq., Burr & Forman  
Trauger, Byron, Esq., Trauger and Tuke  
Tropauer, David, Vice President, HCA Behavioral Health Services;  
Vetter, Stacia, Assistant Vice President, National HealthCare Corporation  
Watson, Alan, Chief Executive Officer, Maury Regional Health  
West, William H., Esq., Baker Donelson  
Whitlock, Marthagem, Assistant Commissioner, TDMHSAS PRF

### **ROLL CALL TO ESTABLISH QUORUM**

Chairman Doolittle requested a roll call to establish a quorum.

PRESENT: Jordan, Gaither, Taylor, Korth, Mills, Harding, Fleming, Grandy, Doolittle

Nine members were present.

### **DIRECTOR'S ANNOUNCEMENTS**

Appreciation was expressed to everyone who provided input or participated in the Quality Standards Emergency Rulemaking process. Agency Deputy Director Mark Farber was recognized for his diligent work on the Quality Standards rules, as was General Counsel Jim Christoffersen.

The next Agency meeting is scheduled for April 26, 2017 at Davy Crockett Tower.

### **APPROVAL OF MINUTES**

Chairman Doolittle presented the December 14, 2016 minutes for approval.

Ms. Jordan moved for approval of the minutes as presented. Mr. Korth seconded the motion. The motion CARRIED [9-0-0]. **APPROVED. Unanimous voice vote.**

AYE: Jordan, Gaither, Taylor, Korth, Mills, Harding, Fleming, Grandy, Doolittle  
NAY: None

### **STATE HEALTH PLAN UPDATE**

Elizabeth Jones, Assistant Director, Division of Health Planning, Department of Health, reported the following:

1. The 2016 State Health Plan has been signed and approved by the governor and includes freestanding emergency departments and organ transplant standards.
2. Recommendations are currently under review for which standards to update next year. Questionnaires will be sent out and public hearings will be set up.

## **CONSENT CALENDAR APPLICATIONS**

*Melanie Hill summarized the following Consent Calendar Application:*

Mr. Ridgway arrived.

### **Walgreens Infusion and Respiratory Services, LLC., d/b/a Vanderbilt HC/Walgreens IV & RT Services, Nashville (Davidson County), TN – CN1612-040**

*Mr. Doolittle recused.*

The relocation of the applicant's principal office from 500 Wilson Pike Circle, Suite 115, Brentwood (Williamson County) to 624 Grassmere Park Drive, Suite 22, Nashville (Davidson County), TN 37211. The service area consists of Bedford, Cannon, Cheatham, Coffee, Davidson, Dekalb, Dickson, Franklin, Giles, Grundy, Hickman, Houston, Humphreys, Lawrence, Lewis, Lincoln, Macon, Marshall, Maury, Montgomery, Moore, Perry, Putnam, Robertson, Rutherford, Smith, Sumner, Trousdale, Warren, Wayne, White, Williamson, and Wilson Counties. The estimated project cost is \$3,867,636.

Ms. Hill noted at the time the application entered the review cycle, it was unopposed. She also noted it continued to be unopposed and that it met the statutory Certificate of Need criteria as follows:

**Need** – The need to relocate the principal home health agency from Brentwood in Williamson County to Nashville in Davidson County is two-fold: 1) The relocation will permit all of Walgreens Infusion and Respiratory Services (WIRS) operations (home health agency, infusion pharmacy, home medical equipment provider) to continue to share costs which will create economies of scale including sharing lease, utilities and other operating expenses. 2) The new location also provides sufficient growth opportunity for all operations which is especially important due to a recent market analysis that indicated that home infusion services would grow 9 percent annually through 2023, which will prompt a need for increased staffing for all the related entities.

**Economic Feasibility** – The total cost for the lease and construction build out is \$3.8 million. WIRS did not break out costs by the related entity since it was funding the move for all of them. The project is economically feasible because the project is expected to generate positive cash flow from operations after the relocation is complete. The positive cash flow is expected to exceed investment after one year.

**Healthcare that Meets Appropriate Quality Standards** - WIRS is licensed by the Tennessee Department of Health and accredited by the Accreditation Commission for Health Care.

**Contribution to the Orderly Development of Healthcare** – The project contributes to the orderly development of healthcare since the relocation will result in the pharmacy operations having a state-of-the-art clean room facility and more work space for all of its related entities' employees. With all locations co-located, there is the opportunity for better coordination of care. While the home health agency is not Medicare or Medicaid/TennCare certified, it does contract with five other home health agencies which are certified, and the pharmacy has contracts with three managed care organizations, so infusion services are accessible.

Ms. Jordan moved for approval of the project based on Ms. Hill's justification. Mr. Grandy seconded the motion. The motion CARRIED [9-0-0]. **APPROVED**

AYE: Jordan, Gaither, Ridgway, Taylor, Korth, Harding, Fleming, Grandy, Mills  
NAY: None

## **CERTIFICATE OF NEED APPLICATIONS**

*Mark Farber summarized the following CON Applications:*

### **Premier Health Care, LLC., Bartlett (Shelby County), TN – CN1608-027**

*Dr. Fleming recused.*

The establishment of a home care organization and the initiation of home health services. The proposed service area will consist of Fayette, Haywood, Madison, Shelby, and Tipton Counties. The principal office will be located at 2855 Stage Village Cove, Suite #5, Bartlett (Shelby County), TN. The estimated project cost is \$50,000. **Opposition:** Volunteer Home Care, Inc., Where the Heart is, Inc., Maxim Healthcare Services, Inc., National HealthCare Corporation, Lifeline of West Tennessee, LLC., d/b/a Extendicare Home Health of West Tennessee Medical Center Home Health, LLC., (Joint Venture with West Tennessee Health Services) Gericare, LLC., d/b/a Deaconess HomeCare, and LHC HomeCare of Tennessee, LLC., d/b/a Home Care Solutions.

The applicant did not appear at the meeting.

Speaking in opposition were Kim Looney, Esq., on behalf of, Lifeline of West Tennessee, LLC., d/b/a Extendicare Home Health of West Tennessee Medical Center Home Health, LLC., (Joint Venture with West Tennessee Health Services) Gericare, LLC., d/b/a Deaconess HomeCare, and LHC HomeCare of Tennessee, LLC., d/b/a Home Care Solutions and Byron Trauger, Esq., on behalf of Maxim Healthcare Services, Inc.

Mr. Korth moved to **deny** the project based on criteria not meeting the need of the community and also the applicant not appearing to answer questions for the Agency.

Mr. Grandy seconded the motion. The motion CARRIED [9-0-0]. **DENIED**

AYE: Jordan, Gaither, Ridgway, Taylor, Korth, Mills, Harding, Grandy, Doolittle  
NAY: None

### **Ivy Hall Nursing Home, Elizabethton (Carter County), TN – CN1610-034**

The addition of one skilled nursing bed to the existing licensed 100 bed Ivy Hall Nursing Home located at 301 South Watauga Avenue, Elizabethton (Carter County), Tennessee. The estimated project cost is \$37,500.

Jerry Taylor, Esq., Judy Deloach, Administrator, Ivy Hall Nursing Home, and Sandy Deakins, Care Center Management Consulting addressed the Agency on behalf of the applicant.

Summation waived.

Mr. Taylor moved for approval of the project based on the following:

**Need** – The applicant has maintained an average occupancy of almost 97 percent over the past two years, and the addition of one bed will help provide some relief for the residents of Carter County who want to access services at Ivy Hall Nursing Home;

**Economic Feasibility** – This project's costs are minimal at \$37,000 and will be paid for by funds that are on hand. Those funds are verified and have been attested to by the CFO from Care Center's Management Consulting;

**Healthcare that Meets Appropriate Quality Standards** - This application also meets appropriate quality standards. Although those standards have not been specified, Ivy Nursing Home meets this quality component as it is licensed by the State of Tennessee, certified for participation in both Medicare and

Medicaid programs, currently maintains a four star above average rate from the CMS, and the facility is also accredited by the Joint Commission;

**Contribution to the Orderly Development of Healthcare** - This criteria is met in that the addition of only one bed to the service area should not negatively affect any other providers in Carter County.

Mr. Ridgway seconded the motion. The motion CARRIED [10-0-0]. **APPROVED**

AYE: Jordan, Gaither, Ridgway, Taylor, Korth, Mills, Harding, Fleming, Grandy, Doolittle  
NAY: None

**TriStar Maury Regional Behavioral Healthcare, Columbia (Maury County), TN – CN1610-036**

The establishment of a 60 bed mental health hospital for adolescents and adult patients located on the east side of North Campbell Boulevard, in the southeast quadrant of its intersection with Old Williamsport Pike, Columbia (Maury County), Tennessee 38401. The bed distribution will be 42 adult psychiatric beds and 18 adolescent psychiatric beds. The estimated project cost is \$24,033,431.

Jerry Taylor, Esq., Alan Watson, Chief Executive Officer, Maury Regional Health System, and Tim Brady, Vice President TriStar Behavioral Health, addressed the Agency on behalf of the applicant.

Speaking in support were Charlie Norman, Mayor of Maury County, Rodney Poling, M.D., and Bucky Rowland, Sheriff Maury County.

Previously not speaking but responding to questions from members was Michael Murphy, M.D.

Summation waived.

Ms. Jordan moved for approval of the project based on the following:

**Need** – The need is established because there currently are no psychiatric beds for adolescents and non-geriatric patients in the primary service area, which means patients have to leave their communities to receive these inpatient psychiatric services;

**Economic Feasibility** – It can be funded by cash reserves of HCA and will realize positive operating results in year two;

**Healthcare that Meets Appropriate Quality Standards** - Regarding healthcare meeting appropriate quality standards, HCA Behavioral Health Services is an experienced provider of inpatient psychiatric care. The facility will obtain all required licensure and Joint Commission accreditation;

**Contribution to the Orderly Development of Healthcare** – The project does contribute to the orderly development of healthcare because patients will be able to receive inpatient behavioral health services in their own communities, which allows families to be actively involved in treatment and keeps patients closer to other community support systems. The facility will accept involuntary emergency admissions and will coordinate with Centerstone Mental Health Center to ensure patients get the necessary post-discharge services.

Mr. Grandy seconded the motion. The motion CARRIED [10-0-0]. **APPROVED** .

AYE: Jordan, Gaither, Ridgway, Taylor, Korth, Mills, Harding, Fleming, Grandy, Doolittle  
NAY: None

**Woodridge of West Tennessee, Inc., Jackson (Madison County), TN – CN1610-037**

The addition of 16 child/adolescent inpatient psychiatric beds to an existing 16 licensed bed geriatric inpatient mental health hospital located at 49 Old Hickory Blvd., Jackson (Madison County), TN 38305. The estimated project cost is \$1,335,250.

Sarah Tally, Esq., and Cecilia Hunt, Executive Vice President, Woodridge of West Tennessee, addressed the Agency on behalf of the applicant.

Previously not speaking but responding to agency members questions was Greg Sassman, Operations, Perimeter Healthcare.

Summation waived.

Mr. Mills moved for approval of the project based on the following:

**Need** – The need has been met. There are no licensed beds for the ages of zero through 12 and 13 through 17 year olds in this service area. The bed need formula shows that there is a need for 33 beds, and they are looking to add 16. This provider will take involuntary admissions. For patients with dual diagnoses including mental health and substance abuse, they will accept those as well. The current psychiatric pediatric population has to travel anywhere from 90 to 130 miles to receive the nearest or to get to the nearest facilities to receive treatment;

**Economic Feasibility** – Regarding economic feasibility, there will be a revolving line of credit of \$1.3 million from the Bank of Montreal. The project is projected to be profitable in year two of operation;

**Healthcare that Meets Appropriate Quality Standards** – Regarding the quality measures, they will be licensed by the Tennessee Department of Mental Health and Substance Abuse Services along with Joint Commission Accreditation for Healthcare Organizations;

**Contribution to the Orderly Development of Healthcare** - Regarding orderly development in healthcare or the contribution to the orderly development of healthcare, the occupancy rate will reach 75 percent by year two, and this project will provide an adequate and effective healthcare for acute pediatric psychiatric needs of the community. There will be less stress and cost on families who will need to travel to spend time with these patients in order to improve their outcomes.

Ms. Jordan seconded the motion. The motion CARRIED [10-0-0]. **APPROVED**

AYE: Jordan, Gaither, Ridgway, Taylor, Korth, Mills, Harding, Fleming, Grandy, Doolittle  
NAY: None

**Eye Surgery Center of Knoxville, LLC., Powell (Knox County), TN – CN1611-038**

*Mr. Ridgway and Mr. Taylor recused.*

The establishment of a single specialty ophthalmic ambulatory surgical treatment center at an unaddressed site on the south side of Dannaher Drive, Powell (Knox County), TN 37849. The proposed ambulatory surgical treatment center (ASTC) will have two operating rooms and one laser procedure room. The estimated project cost is \$1,850,000. **Opposition:** Tennova North Knoxville Medical Center.

Stephen Rudolph, CPA Consultant, Stephen Franklin, M.D. and President, Eye Surgery Center of Knoxville, LLC., and Thomas Browning, M.D., Eye Surgery Center of Knoxville, LLC., addressed the Agency on behalf of the applicant.

Summation waived.

Ms. Jordan moved for approval of the project with the following **CONDITION: Limited to two operating rooms and one procedure room:**

**Need** – The need has been demonstrated by the number of cases currently being performed in other ORs at single-specialty and multi-specialty ASTCs. They cannot absorb the current caseload of the surgeons involved in this application, and the number of ophthalmic surgeries are expected to grow as the population continues to age;

**Economic Feasibility** – The project is financially feasible as it can be funded through a commercial loan, and the applicant projects positive operating results in the first year of operation;

**Healthcare that Meets Appropriate Quality Standards** – The Eye Surgery Center of Knoxville will provide healthcare that meets appropriate quality standards by obtaining licensure from the Department of Health, seeking accreditation by the American Association of Ambulatory Healthcare, and seeking CMS certification. Also, the six surgeons involved in the project are all board certified with three of them also being fellowship trained subspecialists;

**Contribution to the Orderly Development of Healthcare** – The project contributes to the orderly development of healthcare by expanding the capacity for ophthalmic surgeries and providing a more efficient and lower cost alternative to patients in the service area. The applicant will obtain transfer agreements with Tennova and Covenant Hospitals where the surgeons already have admitting privileges, and they will contract with all TennCare MCOs.

Mr. Grandy seconded the motion. The motion CARRIED [8-0-0]. **APPROVED**

AYE: Jordan, Gaither, Korth, Mills, Harding, Fleming, Grandy, Doolittle  
NAY: None

**Parkridge West Hospital, Jasper (Marion County), TN – CN1611-039**

The conversion of eight licensed medical surgical beds to eight adult psychiatric beds (for patients 18+) located at 1000 Highway 28, Jasper (Marion County), TN. If approved, the total Parkridge West Hospital adult psychiatric inpatient bed total will increase from 20 to 28. The estimated project cost is \$2,184,808.

Jerry Taylor, Esq., Tom Ozburn, Chief Executive Officer and President of Parkridge Health Systems, and Melissa Arkin, Chief Executive Officer Parkridge Valley Hospitals, addressed the Agency on behalf of the applicant.

Speaking in support was Nicole Campbell, Esq., Blevins and Blevins.

Previously not speaking but responding to agency members questions was Tom Jackson, Chief Financial Officer, Parkridge Health System.

Summation waived.

Mr. Taylor moved for approval of the project based on the following:

**Need** – On the need requirement, the recent increase in utilization rates over the past two years certainly justified a conversion of the eight beds. They have also had challenges in finding available beds for patients

requiring these services, and it has been noted that just through the denied admissions over the last year, that would meet 72 percent of the projected utilization in year one;

**Economic Feasibility** – With regards to economic feasibility, the project costs of approximately \$2.2 million appear to be reasonable and will be funded by the cash reserves of the parent company HCA, and it appears the project will be profitable from the beginning once the new beds are added;

**Healthcare that Meets Appropriate Quality Standards** – On quality, this facility is licensed by the Tennessee Department of Health, certified by Medicare, underway with the credentialing process for TennCare, and it is Joint Commission accredited;

**Contribution to the Orderly Development of Healthcare** – In regards to orderly development, this new project will allow for admission of TennCare patients, and clearly the primary service area beds in the area are well-utilized; and given the letter of support from Erlanger Health System as well as there being no opposition present, I would find that orderly development has been met.

Dr. Fleming seconded the motion. The motion CARRIED [10-0-0]. **APPROVED**

AYE: Jordan, Gaither, Ridgway, Taylor, Korth, Mills, Harding, Fleming, Grandy, Doolittle  
NAY: None

#### **GENERAL COUNSEL'S REPORT**

*Mr. Christoffersen summarized the following CON modification requests:*

#### **Report to Agency Members:**

Wharton Nursing Home, Pleasant Hill (Cumberland County), TN — CN1403-006A

Per the Agency's June 22, 2016 Delegation of Authority Policy, a 29% cost over-run was approved based on the following:

- The project was complete and received a certificate of occupancy from the Tennessee Department of Health on August 4, 2016;
- Upgrades to the proposed project improved the project (upgraded kitchen equipment and IT changes related to patient care);
- Construction cost variance due to elapsed time between feasibility study project planning stage and the time the construction bids were let (18 months) and the project was completed ( a total of 36 months);
- Financing costs (capitalized interest and debt service) were omitted from the original application.

The project included a construction/renovation project that relocated 31\* of the existing 62 dually certified nursing home beds to an adjacent building on the campus of Uplands Village, a continuing care retirement community. The 31 beds were relocated from an existing building at 878-880 West Main Street to 55 West Lake Road which is where Wharton Nursing Home was previously located. All 62 beds are operated under the same license. The estimated project cost was \$5,100,000.00. With the cost increase, the final project cost is \$6,593,529, a difference of \$1,493,529.

\*These beds are not subject to the 2013-2014 Nursing Home Bed Pool.



## **STAFF REQUEST FOR AGENCY GUIDANCE**

Life House Hospice, Inc. Cookeville (Putnam County), TN — CN1405-016A  
Life House Hospice, Inc. Cookeville (Putnam County), TN — CN1406-023A

The referenced applications (the first being an Emergency CON application) requested the establishment of a home care organization to provide hospice services in Putnam County, Tennessee in conjunction with the existing Life House Residential Hospice located at 570 State Street, Cookeville, Tennessee. The emergency certificate of need and follow-up certificate of need were requested because Life House, a licensed residential hospice, had to cease all residential/inpatient operations due to its inability to become Medicare-certified because CMS will not certify a stand-alone residential hospice.

Agency staff had intended to seek guidance whether to initiate a contested case pursuant to T. C. A. § 68-11-1619 for the revocation of these certificates of need. However, Byron Trauger, on behalf of the current owner of these agencies, Hospice of Chattanooga, appeared before the TDH Board for Licensing Health Care Facilities (BLHCF) on February 8, 2017 to request that both the residential hospice and hospice licenses be placed in a one year inactive status so the owner could pursue resuming residential hospice services. The BLHCF granted the inactive status until the February 2018 board meeting. Since no services are being provided and the owner is not actively trying to sell the hospice license, no action is requested at this time.  
**DEFERRED FROM DECEMBER 2016 MEETING.**

## **RULEMAKING AND EMERGENCY RULEMAKING**

The Agency has been directed to get emergency rules in place on quality measures as soon as possible and to report progress to the chairman on both the Senate and House Joint Government Operations Committee. The Agency will consider adopting rules - both regular and emergency - as required by TCA § 68-11-1633.

An emergency rule may be effective no longer than 180 days per TCA § 4-5-208.

### ***TCA § 68-11-1633. Development of measures for assessing quality of entities receiving certificate of need -- Failure to meet quality measures -- Penalties.***

*(a) In consultation with the state health planning division and the board for licensing healthcare facilities or the department of mental health and substance abuse services, whichever is appropriate, and subject to § 68-11-1609(h) the agency shall develop measures by rule for assessing quality for entities that, on or after July 1, 2016, receive a certificate of need under this part. In developing quality measures, the agency may seek the advice of stakeholders with respect to certificates of need for specific institutions or services.*

*(b) If the agency determines that an entity has failed to meet the quality measures developed under this section, the agency shall refer that finding to the board for licensing healthcare facilities or the department of mental health and substance abuse services, whichever is appropriate, for appropriate action on the license of the entity under part 2 of this chapter.*

*(c) If the agency determines that an entity has failed to meet any quality measure imposed as a condition for a certificate of need by the agency, the agency may impose penalties pursuant to § 68-11-1617 or revoke a certificate of need pursuant to § 68-11-1619.*

**HISTORY:** Acts 2016, Ch. 1043, § 21.

**TCA § 68-11-1609 (h)** *The agency shall maintain continuing oversight over any certificate of need that it approves on or after July 1, 2016. Oversight by the agency shall include requiring annual reports concerning continued need and appropriate quality measures as determined by the agency. The agency may impose conditions on a certificate of need that require the demonstration of compliance with continued need and quality measures; provided, that conditions for quality measures may not be more stringent than those measures identified by the applicant in the applicant's submitted application.*

### **EMERGENCY RULEMAKING MOTION**

Dr. Fleming moved to adopt the Quality Measures document as Emergency Rules of the Tennessee Health Services and Development Agency pending the changes that were made, including deleting item 3A which will be re-evaluated at the April meeting.

Mr. Korth seconded the motion. The motion CARRIED [10-0-0]. **APPROVED**

AYE: Jordan, Gaither, Ridgway, Taylor, Korth, Mills, Harding, Fleming, Grandy, Doolittle  
NAY: None

### **RULEMAKING**

Mr. Grandy moved to defer the permanent rules until April.

Mr. Ridgway seconded the motion. The motion CARRIED [10-0-0]. **APPROVED**

AYE: Jordan, Gaither, Ridgway, Taylor, Korth, Mills, Harding, Fleming, Grandy, Doolittle  
NAY: None

### **ADJOURNMENT**

There being no further business, the meeting adjourned.

  
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Melanie M. Hill, Executive Director

\* Minutes provide only a brief staff summary of the meeting and are not intended to be an all-inclusive report. The HSDA maintains a detailed record of each meeting (recording and transcript) that is available upon request by contacting the HSDA office at 615-741-2364.